VZCZCXRO7729 OO RUEHLH RUEHPW DE RUEHLH #0722 3341708 ZNY CCCCC ZZH O P 301708Z NOV 07 FM AMCONSUL LAHORE TO RUEHC/SECSTATE WASHDC IMMEDIATE 3536 INFO RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4128 RUEHAK/AMEMBASSY ANKARA PRIORITY 0014 RUEHLO/AMEMBASSY LONDON PRIORITY 0064 RUEHBUL/AMEMBASSY KABUL PRIORITY 0217 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0567 RUEHKP/AMCONSUL KARACHI PRIORITY 1761 RUEHPW/AMCONSUL PESHAWAR PRIORITY 1451 RHMFISS/CDR USCENTCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC RUEKJCS/SECDEF WASHINGTON DC RHEHAAA/NSC WASHINGTON DC RUEAIIA/CIA WASHDC RUEHLH/AMCONSUL LAHORE 4500

## C O N F I D E N T I A L LAHORE 000722

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E.O. 12958: DECL: 11/30/2017

TAGS: PGOV PREL AEMR ASEC CASC KFLO MARR PINR AMGT PK SUBJECT: PML-N TO COMPETE IN SPITE OF ADPM ANNOUNCEMENT

REF: LAHORE 715

CLASSIFIED BY: Michael T. Jordan, Acting Principal Officer, AMCONSUL Lahore, STATE.

- REASON: 1.4 (b), (d)

  11. (C) Summary: The nephews of Pakistan Muslim League-Nawaz (PML-N) leader Nawaz Sharif indicated November 30 that PML-N will participate in January 8 elections regardless of recent press coverage and public statements. We would not be surprised, however, if Nawaz milks the threat of a boycott a bit longer. End summary.
- 12. (C) Poloff met Hamza Shahbaz and Suleiman Shahbaz, the nephews of PML-N Leader Nawaz Sharif and sons of Shahbaz Sharif, on November 30, the day after the All Parties Democratic Movement's (APDM) publicly announced it would boycott the January 8 elections. (Note: the APDM is a coalition of opposition parties including the PML-N but not the Pakistan People's Party.) The nephews said Nawaz reluctantly agreed to support the APDM decision to boycott the elections, and now regrets his decision. The nephews said Jamatt-e-Islami (JI) leader Qazi Hussain Ahmad and Tehreek-e-Insaaf (PTI) Chairman Imran Khan pressured Sharif to make a public statement as a show of solidarity with the judiciary. In the view of the nephews, a boycott would provide both Qazi and Khan with a way to avoid a weak showing at the polls.
- 13. (C) Hamza and Suleiman said Sharif believes the PML-N can do reasonably well in the upcoming elections and he is not willing to destroy the party's electoral prospects for the sake of APDM unity. Nawaz will convene a PML-N leadership meeting today to confirm the PML-N will compete in the elections, although a public announcement may not be made until later.
- 14. (C) Hamza and Suleiman ruled out the possibility of a reconciliation with Musharraf's Pakistan Muslim League (PML) party. The nephews said senior leaders in the PML, including Chaudhry Shujaat Hussain and Pervez Elahi, did not trust top PML-N leaders and noted that some PML members were switching to PML-N. Both were confident the PML-N can do well in urban electoral districts in Punjab and Northwest Frontier Province (NWFP) but admitted the party will have a challenging time in rural districts. The nephews said the PML-N and PPP will likely agree to a seating arrangement in rural Punjab districts so opposition candidates will not have to face one another where they can beat the PML. The nephews said Bhutto and Sharif are in occasional contact and will probably meet again in the near future.
- 15. (C) Hamza and Suleiman stated Sharif and Shahbaz are concerned about the rise of militancy and extremism in Pakistan.

They said Sharif would be dedicated to combating militancy if he returned to power. Musharraf, they believe, lacks enough support in the PML to combat extremism and they criticized what they deemed his vacillating policy of peace negotiations one day followed by kinetic operations the next day. The nephews claimed Nawaz's political views resonate in NWFP and FATA and could be used to moderate extremist behavior. They also said Nawaz would not hesitate to order military strikes against the militants.  $\underline{\P}6.$  (C) Comment: We are hearing from multiple sources that Nawaz will not boycott the elections, especially if Bhutto decides to participate. We would not be surprised, however, if Nawaz decides to milk the threat of a boycott a bit longer. The nephews' assessment of PML-N's electoral prospects in the Punjab seems balanced, but we see no signs that Bhutto is ready to work with Nawaz on seat adjustments just yet. We expect weeks of rumors, party swapping, and trial balloons about coalition building in the run-up to the January elections. 17. (U) Embassy Islamabad has cleared on this cable.

**JORDAN**